

Massachusetts Electric Company
and
Nantucket Electric Company

March 2003
Quarterly Report

March 3, 2003

Submitted to:
Massachusetts Department of
Telecommunications and Energy
D.T.E. 01-68

Submitted by:

Massachusetts Electric

A **National Grid** Company



Nantucket Electric

A **National Grid** Company



I. Introduction

At the end of the summer of 2001, the Department asked all Massachusetts utilities, including Massachusetts Electric Company and Nantucket Electric Company (collectively, the “Company”) to undertake a critical self-assessment of their ability to provide reliable distribution service to customers. On October 29, 2001, the Company filed a comprehensive ten volume response (“Reliability Report”), which gave detailed information about the various factors that contribute to the Company’s provision of reliable distribution service: growth forecasting; communication and notification procedures during outages; use of emergency generators and other equipment; personnel staffing and deployment during outages; weather forecasting; and maintenance and design of the distribution system. In the Reliability Report, the Company also analyzed its performance during the summer of 2001 and identified concrete steps that it was taking to improve future reliability. On March 22, 2002, the Department issued an order (“March 22 Order”) on the Company’s Reliability Report, directing the Company to address several suggestions for improving each of the various factors, report on several follow-up items, and provide the Department with a report assessing its expected ability to respond adequately during the summer of 2002. The March 22 Order also required the Company to make annual and quarterly reports for the next two years regarding certain reliability factors. On June 7, 2002, the Company filed its Compliance Filing and Report on Summer 2002 Readiness (“June 2002 Report”), on August 30, 2002, the Company filed its September 2002 Quarterly Report, and on December 2, 2002, the Company filed its December 2002 Quarterly Report (“December 2002 Report”). This filing is the Company’s next compliance filing required by the Department’s order in this docket.

II. Discussion

For each of the quarterly reports, the Department has requested information from the Company regarding the use of emergency generators and other equipment; personnel staffing and deployment, including employee hiring and training and emergency assistance resource sharing; and maintenance and design, including tree trimming and pole replacement activities. This report provides an update to the Department from the December 2002 Report.

A. Use of Emergency Generators and Other Equipment

As described in earlier reports, the Company has contracted and established deployment procedures for three emergency generator units to be used during emergency conditions. Each individual emergency generator unit is a two-megawatt trailer-mounted, diesel engine.

There was no new activity regarding the emergency generator units and their deployment during this period.

B. Personnel Staffing and Deployment

The Department has directed the Company to provide information on the progress of the hiring and training of 125 engineering and physical workers and the emergency resource assistance sharing activities.

1. Employee Hiring and Training

The June 2002 Report detailed the anticipated hiring and training of 125 engineering and physical workers in New England.¹ To date, all but twelve of the physical worker positions in Massachusetts have been filled. The open positions have been internally posted and externally advertised.² The respondents have undergone initial aptitude testing, yielding forty-three internal

and fourteen external overhead lines candidates and ten internal and six external underground lines candidates.

The Company has begun interviewing the candidates and intends to offer positions to finalists contingent upon their successful completion of line school training. The Company expects that the successful candidates will begin their jobs by the end of April.

2. Emergency Assistance Resource Sharing

The Company's emergency assistance resource sharing policy remains as described in the Reliability Report. Since the filing of the December 2002 Report, fifteen line crews from The Narragansett Electric Company provided emergency assistance to the Merrimack Valley and North Shore Districts of the Company in their restoration efforts during the snowstorm of December 25th and 26th, 2002.

C. Maintenance and Design

With regard to maintenance and design, the Department has asked for a report on tree trimming activities, including procedures, schedules, and a description of the cooperation by and coordination with communities. The Department has also requested quarterly information on pole replacement activity, including procedures for surveying poles and working with other utilities in this process, with particular attention paid to the systematic removal of double poles and addressing the root cause of the excessive proliferation of double poles through improved

¹ As described in previous reports, nineteen of the 125 open positions were supervisory, engineering, and technical support positions, and as detailed in the December 2002 report, all nineteen of these positions have been filled.

² For the physical worker positions, the posting of open job positions is the first but most important step of the process to elicit qualified candidates for, and ultimately fill, a particular job. As explained in the June 2002 Report, physical workers are placed in accordance with labor contracts. The Company's experience indicates, however, that often Mass. Electric is not able to fill all positions with qualified candidates from the eligible bidders pool of the local union, and additional posting may likely be forthcoming. For instance, the Company typically posts positions initially with the local union, and then subsequently may courtesy post with the other union locals in the Company. If the Company is unable to find qualified eligible candidates from within the Company, Mass. Electric may pursue hiring candidates from outside the Company.

coordination with owners and lessees of poles. The Company's tree trimming and pole replacement activities are described below.

1. Tree Trimming

The Company's tree trimming procedures, process for coordinating with communities, circuit-based trimming program, and tree trimming staff remain as described in the June 2002 Report. This report provides an update from the December 2002 Report.

The Company has a fiscal year 2003 goal of 2,024 miles trimmed. During the period from November 1st through January 31st, the Company trimmed 434 miles. In January 2003, the Company allocated an additional \$250,000 to trimming activities. These funds were disbursed to those districts where the Company would realize the greatest gains in feeder reliability. Also, as described in the December 2002 Report, the Company entered into new tree trimming contracts designed to increase the efficiency of the tree trimming program. Work under these contracts began in January 2003. As a result of the increased trimming budget and the new trimming contracts, the Company trimmed sixty-three percent more miles in January than it trimmed in December.

2. Pole Replacement Activities

As reported earlier, the Company has been working closely with other pole owners in Massachusetts, including Verizon, NStar, Western Massachusetts Electric Company, and Fitchburg Gas & Electric Company, to establish a common database to track doubled pole locations and transfer status for each company attached to poles, notify these attaching companies of their obligations via email, and provide reporting and management tools. The Pole Lifecycle Management ("PLM") System is in service and the loading of data from distinct Company and Verizon databases is complete. Data scrubbing and elimination of duplicate pole records in PLM is underway and expected to be completed in March. PLM is now being used to

track new double poles as they are set by either the Company or Verizon. The implementation of this system will give the Company improved capabilities for managing double pole locations, transfers, and removals.

At this time, the best data available to the Company on double poles comes from PLM. As of February 2003, as reported by PLM, approximately 9,780 doubled poles exist in the Company's system.³ Of these 9,780 doubled poles, 349 are ready for removal by the Company and 2,277 are ready for the Company to transfer its facilities. Because the recent consolidation of data in PLM gave the Company access to Verizon data not previously available to the Company and because data scrubbing and elimination of duplicate pole records in PLM is not yet complete, the numbers of double poles reported from PLM may be inflated. That said, these numbers represent approximately the same number of doubled poles in the Company's service territory and a 38% increase in the number of poles awaiting action by the Company as compared to the numbers reported in the Company's December 2002 quarterly report. The Company continues to work on addressing the double pole issue. The Company will continue to provide the Department with updates on the implementation of the PLM application and the anticipated reduction in doubled poles in its next quarterly report.

III. Conclusion

The Company will continue to update and provide progress reports required by the Department, as set forth in the Department's March 22 Order.

³ These numbers are subject to confirmation with Verizon.